



Permanent Change of Station (PCS) Instructor Guide



I. COURSE ORGANIZATION AND OUTLINE

The *Permanent Change of Station (PCS)* course is organized into five parts:

1. **Introduction and Agenda** (2 minutes)
 - Welcome
 - Facilitator Introduction
 - Review of Agenda

2. **Financial Planning** (10 minutes)
 - Spending Plan
 - Estimate Changes to Income
 - Estimate Changes to Expenses
 - Protect Your Credit
 - Manage Debt

3. **PCS Considerations** (12 minutes)
 - Before Your Move
 - ✓ Housing
 - ✓ Weight Limitations
 - ✓ SCRA
 - ✓ Vehicles
 - ✓ Pets and Passports
 - During Your Move
 - ✓ Estimate Travel Costs
 - ✓ Tax Deductions
 - After You Arrive
 - ✓ Expenses Once You Arrive
 - ✓ State Residency
 - ✓ Child Care
 - ✓ Spouse Employment

4. **Allowances and Entitlements** (4 minutes)
 - Travel Pay and Allowances
 - PCS Resources

5. **Summary and Resources** (2 minutes)

TOTAL: 30 minutes

II. LEARNING OBJECTIVES

Terminal Learning Objectives (TLOs) and Enabling Learning Objectives (ELOs)

- TLO:** Understand the fundamentals of creating and managing a spending plan, and the importance of updating a spending plan.

ELOs: Be able to calculate the differences in pay and benefits from previous duty station to current duty station. Be able to identify changes in expenses from previous duty station to current duty station. Update personal spending plan.
- TLO:** Understand the fundamentals and management of debt and credit.

ELOs: Know how to check and resolve errors on a credit report. Understand strategies to raise a credit score. Know strategies for managing credit and debt. Know several resources for funding major life events that reduce the need for additional credit.
- TLO:** Examine the impact of special pay and entitlements.



ELO: Understand typical costs and entitlements associated with a change in duty station.
- TLO:** Know military consumer protection law fundamentals, including the Servicemembers Civil Relief Act (SCRA) and the Military Lending Act (MLA).

ELOs: Understand the components and protections for Service members under the SCRA and MLA. Know basic procedures for handling a consumer complaint or dispute associated with the SCRA or MLA. Understand how the basic protections afforded under the SCRA can protect finances.

III. CHAPTER PREPARATION

Sections labeled “**INSTRUCTOR NOTE:**” include additional information for instructor background, as well as activities that provide practical application of key learning points. Instructor notes contain an icon and appear in a shaded text box for easier recognition.

CONTENT ICONS — The following icons are used throughout the guide:

INSTRUCTOR NOTE:	Instructor Note (indicates additional information related to the content for the instructor)
	Checklist and Handout (indicates a Checklist or Handout is associated with the content)
	Learning Activity (indicates a learning activity)

INSTRUCTOR NOTE: Being prepared for training promotes organization, projects a positive image, and reduces stress.

Be prepared to discuss each Checklist and Handout in class. You should familiarize yourself with this content so you can effectively discuss each document during your presentation.

While this guide is written as a script, avoid reading it word-for-word. Familiarize yourself ahead of time so you feel comfortable covering the material in your own words.

Throughout the presentation, the Checklist or Handouts will be identified with an icon on the PowerPoint and an Instructor Note in this Instructor Guide.

Materials and Equipment:

- Projector/screen
- *Permanent Change of Station (PCS)* course PowerPoint slides
- Chart paper and easel or whiteboard and markers
- Paper, pens, pencils
- Course sign-in sheet
- Course evaluations

Forms and Handouts:

- *Permanent Change of Station (PCS)* Checklist
- *Spending Plan Worksheet* Handout
- *Understanding Credit* Handout
- *Military Consumer Protection* Handout
- *Sources of Help for Military Consumers* Handout
- *Major Purchases* Handout
- *5 Rules of Buying a House* Handout
- *Estimated Travel Costs for a PCS* Handout

V. CONTENT



SLIDE 1



SLIDE 2

Introduction

Facilitator Introduction

Introduce yourself by providing:

Hello, my name is _____.

I am a _____.

(Describe your experience as a facilitator or with personal financial management.)

The information I'll provide over the next 30 minutes will help you better understand and prepare for a Permanent Change of Station (PCS) move.

Agenda



INSTRUCTOR NOTE: *Permanent Change of Station (PCS) Counselor Checklist*

Moving often means adjusting to change and starting new routines. This is especially true for your finances. This course will help you to optimize your resources and strategize ways to complete your upcoming move without breaking your budget.

Today we will discuss several topics to prepare you for this Permanent Change of Station or PCS:

- Financial Planning
- PCS Considerations
 - ✓ Before your move
 - ✓ In transit
 - ✓ After you arrive
- Allowances and Entitlements

I'll also point you to free resources that can help you take action on what we discuss.

We have a lot to cover today, so let's get started.



SLIDE 3

Financial Planning



ACTIVITY: Engage with the class participants to learn more about their previous moving experiences. Poll the class with the questions provided. Consider making a game out of this activity by uncovering who traveled the farthest or took the longest to reach their destination.

I want everyone to think back to the last time you moved, either as a civilian or as a Service member.

- How far did you move?
- How long did it take you?
- How much did moving cost you out of pocket?
- Thinking about your next move, how many of you have financial changes taking place? Things like a spouse changing jobs, needing to find a new day care, or you are thinking of buying a house?

Moving can be full of surprises, so let's talk about trying to plan for the unexpected.



SLIDE 4

Spending Plan



INSTRUCTOR NOTE: *Spending Plan Worksheet* Handout

A good place to start preparing for your PCS is by reviewing your spending plan or budget. It doesn't matter how you track your money, whether it's an app, spreadsheet, or an old-fashioned journal. What's important is that you do it. For those who haven't looked at your spending plan recently, I've included a *Spending Plan Worksheet* in your course Handouts to complete tonight. If you are married, this would be a great activity to complete with your spouse.

A good spending plan helps you manage your money, plan for financial goals, and prepare for emergencies. Let's do a quick overview of the spending plan process and then we will focus on specific changes that may apply to your move.

Here are four tips financial experts suggest to build your plan:

Step 1: Understand Your Current Situation

In this step, it's important to understand what's really going on with your money today. Start tracking all of your current cash inflows and outflows for the next 30 days to analyze where you are spending. Or calculate your past 30 days using credit card and bank account statements.

Take note of what expenses you will be leaving behind and try to estimate new expenses at your next duty station. We will dive into more details on how to estimate these changes in a few minutes.

Step 2: Know Where Your Money Should Go

Financial experts offer these general guidelines when budgeting your money:

- Save and/or invest 10 — 15% of pretax pay.
- Strive to keep transportation expenses including car payments, insurance, gas, and maintenance to 15 — 20% of pretax pay.
- Limit housing expenses, including mortgage or rent payment, taxes, utilities, maintenance, etc., to the Basic Allowance for Housing (BAH) or 25% of pretax pay.

For those of you who plan to live off base, pay close attention to this guidance and try not to overspend on your next home.

Step 3: Create a Plan

Build a plan for setting aside money and putting limits on how much you'll spend each month on various things. Although it seems obvious, you should spend less than you earn. Try to prioritize your financial goals, whether they be saving and investing or paying down debt.

If you do not have an emergency fund, consider saving toward this goal. An emergency fund is money that's kept in a low-risk account, such as a savings account that you can access easily and without any penalties in case you have an emergency.

Most experts agree 3 – 6 months of expenses is a good target amount.

Paying bills while you're moving can be challenging. Consider putting recurring bills on automatic payment during this time. That way you won't miss a payment and potentially hurt your credit.

Step 4: Make Adjustments

Make sure to go back and update your spending plan as life changes. It's a good idea to monitor and make adjustments every month until you have fully adjusted your finances for your new location.



SLIDE 5

Estimate Changes to Income

Now let's take a closer look at some potential changes to income. For those who are single or have dependents, it's a good idea to live below your means during a PCS to help offset and adjust to income changes associated with your move.

Potential changes that could impact your monthly income could be:

- Basic Allowance for Housing (BAH)
- Overseas Housing Allowance (OHA)
- Cost of Living Allowance (COLA)
- Family Separation Allowance (FSA)
- Family Subsistence Supplemental Allowance (FSSA)
- Special and Incentive Pays
- Spousal Income

For those who are married, it's a good idea to plan to live on one income to reduce financial related stress during a PCS. The second income, once re-established, can be used to save for goals and improve your quality of life. Using this strategy can also reduce long-term debt obligations when additional income is interrupted during a move.

A great way to calculate changes to your pay is by visiting www.defensetravel.dod.mil/site/allcalc.cfm.

INSTRUCTOR NOTE: If time allows, bring up the website <https://www.defensetravel.dod.mil/site/allcalc.cfm> and demonstrate the estimator.



SLIDE 6

Estimate Changes to Expenses

Now let's take a few minutes to review some potential changes to your expenses. A few of the expenses mentioned on this list include housing, taxes, child care and insurance. It's best to research these changes now, so you won't be in for a surprise at your next duty station. Certain expenses like auto insurance and fuel prices at your new location can be fairly easy to research. Others like utilities, car registration fees, and grocery prices can be more difficult.

Here are two great resources that can help you determine the average cost of living in certain areas:

- Living Wage Resource — <https://livingwage.mit.edu/>
- Cost of Living Calculator — <https://www.bankrate.com/calculators/savings/moving-cost-of-living-calculator.aspx>

INSTRUCTOR NOTE: If internet access is available, consider pulling up the Cost of Living Calculator and compare a couple of PCS locations to demonstrate the difference in costs.

Before we move on, let's briefly talk about taxes. Everyone's situation is different. Some of you may see very little impact on your federal income taxes since your taxable pay may not differ much from your current location. Others may see changes primarily due to changes in spousal income.

For help with your personal tax situation, contact the Voluntary Income Tax Assistance (VITA) program for free assistance.



SLIDE 7

Protect Your Credit



INSTRUCTOR NOTE: *Understanding Credit and Sources of Help for Military Consumers* Handouts are available to cover credit reports, credit scores and tips on improving your credit.

Up next, let's talk about protecting your credit during a PCS.

Notify Financial Institutions

Notify your financial institutions and creditors of your upcoming move and provide them with your new mailing address if you know it.

Confirm all transactions have cleared your bank or credit union account if you plan to switch financial institutions at your next duty station.

Set Up Automatic Payments

Consider setting up automatic bill pay to avoid missed or late payments.

Check Your Credit

Check your three major credit reports for free at <https://annualcreditreport.com>. This is especially important if you plan to make a major purchase at your next duty station.

Update Your Address

Submit an address change through the United States Postal Service at usps.com as soon as you know the new address or a temporary one; you can also place your mail on hold until you have one. Be sure to inform all your creditors, financial institutions and utility companies of the new address directly. This can help avoid the most common credit issues caused by PCS... lost or missing mail.

Enroll in Free Credit Monitoring

Another benefit available for eligible Service members is free credit monitoring services from the nationwide credit reporting agencies, shown on the screen.

- **Equifax:** www.equifax.com/personal/credit-report-services
- **Experian:** www.experian.com/help
- **TransUnion:** www.transunion.com/credit-help



SLIDE 8

Manage Debt



INSTRUCTOR NOTE: *Major Purchases and 5 Rules for Buying a Home Handouts*

Now let's move on to debt. Whether you have a lot of debt, a little debt, or no debt at all, how you manage debt can have a profound impact on your finances and well-being.

So, if you are struggling with paying back loans or credit cards, a PCS can often compound the problem. Managing debt smartly boils down to two things: being careful with how much debt you take on in the first place, and then taking a deliberate approach to how you pay it off.

Debt Destroyer Strategies

If debt reduction is a goal for you, there are a few strategies that can help you do it efficiently.

- The **Debt Snowball**, is a debt repayment strategy that focuses on paying down your lowest balance, while making minimum payments on all other debt. Once you've paid off your lowest balance debt, concentrate additional resources to pay down the next lowest balance debt, until you become completely debt free.
- The **Debt Avalanche** works in a similar fashion, but instead of paying off the lowest balance debt, you concentrate on paying off the highest interest rate debt first, while making minimum payments on the rest. After the highest rate debt is paid off, turn your attention to the next highest rate debt.

Help with either strategy is available through the Personal Financial Managers at your Fleet and Family Support Center (FFSC), installation Family Support Center, or at www.powerpay.org.

Major Purchases



INSTRUCTOR NOTE: Review the *Major Purchases* Handout in class and call attention to the section about car buying and vehicle load debt multiplier graph. Remind students that a Car-Buying Strategies class is available for more information.

For those of you who are not focused on paying off debt, but instead are considering taking on new debt, here are some tips. If you are thinking about purchasing a new house or vehicle at your next duty station make sure the payment fits into your new budget.

You may want to consider attending a home-buying seminar or meet with a Personal Financial Manager. With Financial Planning out of the way, let's turn to PCS Considerations before you move.



SLIDE 9

PCS Considerations



ACTIVITY: If time permits and is appropriate, poll the class participants about where they are moving for their next assignment. If you are familiar with any of the locations, share a story about your experience.

When relocating, it's common for travel expenses to begin well before you depart. Let's discuss a few of these obligations.



SLIDE 10

Before Your Move



INSTRUCTOR NOTE: Refer students to *PCS* Counselee Checklist.

Let's begin with housing.

Housing

- **House Hunting** — You may receive house-hunting leave, but the Department of Defense (DoD) does not pay for the travel and lodging costs associated with that leave.
- **Moving out** — Move-out expenses may include selling costs, dismantling major appliances or play equipment, lawn maintenance, cleaning services, etc.

Weight Limitations

The DoD outlines household goods weight limitations. To check limits specific to your situation, visit <https://www.move.mil/>. You must pay for items shipped in excess of the DoD weight limitations, so it might be a good time for a garage sale or to sell unused items online. This can help you make a little extra money and lower your shipping weight. Another option is to donate the items to a charity.

Servicemembers Civil Relief Act

Review the Servicemembers Civil Relief Act (SCRA) to see if your PCS orders qualify you to break your lease contract on your home, vehicle, or cell phone.



INSTRUCTOR NOTE: *Military Consumer Protection Handout*

See your base legal office with specific questions unique to your situation.

Vehicles

Now let's talk **vehicles**. The government only pays for the shipment of ONE vehicle to overseas duty assignments and usually only pays what it would cost to drive one personally owned vehicle from station to station in the U.S. So, if you plan to transport multiple vehicles be prepared for those additional expenses.

For those storing their primary vehicle rather than moving it overseas, the government will pay storage fees up front. There may be exceptions, so learners should check with their command. Note that stored vehicles must remain stored for the duration of the orders authorizing storage.

For those with leased vehicles or if there is a loan, the leasing company or financial institution may not allow movement of the vehicle overseas. You should check with the leasing agent or financial institution before moving the vehicle. The base legal office can advise you about their rights under the Servicemembers Civil Relief Act (SCRA) we mentioned earlier.

Pets

Pet owners, you may incur some costs with taking pets to your next duty station. These costs may include immunizations required for overseas travel (quarantine, airline crates, etc.) as appropriate.

Passports

Finally, for those moving overseas, be sure to obtain passports and visas when appropriate. There will be costs associated with passports and visas when transferring overseas. The cost for these may be reimbursed with command approval. More information on passport fees and processing times (normally four to six weeks after application) is available on the State Department website <https://travel.state.gov/content/travel/en/passports.html>.

Parents who have primary custody of a child who will be relocating overseas with the child may need to obtain consent of the other parent or the approval of the family court. Petitioning for such court approval can be a long process. Refer to your legal office for advice on how to ensure appropriate procedures have been followed.

One additional note on passports: passport applications for children under 16 require the presence of both parents, even if they are estranged.



SLIDE 11

In Transit

INSTRUCTOR NOTE: Distribute the *Estimated Travel Costs for a PCS Move Handout*. While most of these normal expenses may be reimbursed or may be covered by the GTCC, it's important that Service members keep all of their receipts. The Handout can be covered in class as an activity if time allows.

Estimated Travel Costs Worksheet

The Handout will help you plan and estimate costs associated with traveling to your next duty station. Driving costs, overnight accommodations and food are covered up to certain limitations.

Tax Considerations

It's important to keep all of your receipts related to your move. You may be eligible to deduct some of your unreimbursed PCS moving expenses from your federal income tax return. Most moving costs are covered by military allowances, but you'll want to save your receipts and log your expenses to calculate any possible deduction at the end of the tax year. Check out IRS Publication 521, Moving Expenses for examples and more details.



SLIDE 12

After You Arrive

Finally, let's review a few items to consider once you arrive at your new location.

Initial Expenses

The first is temporary lodging and food. You will need a place to stay until you find a place to live. It's a good idea to find a place with cooking appliances and a refrigerator to save money on food expenses while house hunting.

Also be aware of vehicle registration costs and procedures. With a few exceptions, states expect new residents to register their vehicles in that state. Double check the state's motor vehicle department to find out what the rules are at your new duty station and to find out about military-specific guidelines.

State Residency

The Military Spouses Residency Relief Act (MSRRA) gives the spouse of an active-duty Sailor the option not to change state residency when relocating to a new state due to a PCS. It is important to weigh pros and cons of changing state residency. Changing may not be the best option for a particular person or family because it may impact state income tax, personal property taxes, car registration, and voter registration.

Child Care

Child care resources can vary greatly by location. Research your options and plan for changes to your spending plan and child care routines.

Military OneSource's interactive Military Installations website and *MilitaryChildCare.com* are both good places to start your research.

Spouse Employment

Visit Military OneSource and the Military Spouse Employment partnership website for spouses needing help seeking new employment. The Fleet and Family Support Center's (FFSC) Family Employment Readiness Program (FERP) can also assist spouses with their employment search from job hunting to resume writing.



SLIDE 13

Allowances and Entitlements



ACTIVITY: Consider inviting a representative from the Finance Office to discuss the specifics of travel pay and allowances.

Next we will go over some of the basics on common allowances and entitlements. It's important to speak with your installation's Finance Office for the most up-to-date information on travel pay and allowances specific to your situation.

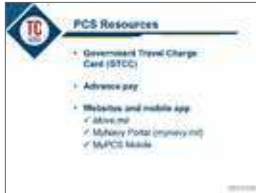


SLIDE 14

Travel Pay and Allowances

You may receive a number of travel pays and allowances as part of your PCS orders. These may include mileage reimbursement, per diem (to cover hotel and meals), and a dislocation allowance (monies to cover expenses not otherwise reimbursed). Other pays and allowances are specific to certain geographic areas, like Overseas Housing Allowance (OHA), Cost-of-Living Adjustment (COLA), and Move-In Housing Allowance (MIHA).

Based on geographic location, you may also be eligible for Temporary Lodging Expense (TLE) or Temporary Lodging Allowance (TLA). The installation Finance Office, and *Move.mil* will provide additional information and estimates for reimbursement.



SLIDE 15

PCS Resources

Government Travel Card

You may use your Government Travel Charge Card (GTCC) to cover expenses that will be reimbursed by the government. However, it is important to anticipate costs and develop an estimated cost for expenses. You are responsible to pay any overages on the GTCC that are not covered by reimbursement. Remember government travel cards are issued only for official travel-related expenses. Cardholders who misuse their DoD travel cards are subject to administrative or disciplinary action.

Advance Pay

Upon receipt of your orders, you may request an advance on pay and Basic Allowance for Housing (BAH), to help cover the extra expenses of relocation due to your PCS move. However, it is important to note that since this is an advance, it **MUST BE REPAYED** over the next 12 months unless your unit commander authorizes a longer repayment term.

Helpful Websites:

Move.mil, *www.defensetravel.dod.mil*, *www.saveandinvest.org* – search for Money and Mobility, MyNavy Portal, and MyPCS mobile. These are all terrific resources to help plan for a successful PCS.

INSTRUCTOR NOTE: The full website for the Money and Mobility document is <https://www.saveandinvest.org/sites/saveandinvest/files/Money-Mobility.pdf>.



SLIDE 16



SLIDE 17



SLIDE 18



SLIDE 19

Summary and Resources

Let's take the last couple of minutes we have together to review what we covered today.

Summary

We discussed the following topics. Do you have any questions on any of them?

- Financial Planning
- PCS Considerations: Before, during and after your move
- Allowances and Entitlements

Resources

Please read through your Checklist and Handouts and refer back to them. They are a great resource to help navigate the financial decisions you'll need to make.

You are not alone! You have many layers of support to help you learn more and make good financial decisions.

You can talk to your CFS at your unit or meet with a PFM and attend a class at your local installation service center. You can call Military OneSource or CG SUPRT for additional assistance. This is a great option for flexibility of scheduling since the call center has extended hours. You may also access the FINRED Sen\$e mobile app or the MyNavy Financial Literacy mobile app for assistance with a variety of personal finance issues.

Thank You

Thank you for participating, and I wish you the best at your next duty station.