Department of Defense
Financial Literacy Update
Presentation to the
Financial Literacy and Education Commission
July 14, 2022
Financial Readiness and Mission Readiness

Financial Readiness: A state in which successful management of personal financial responsibilities supports a service member’s ability to perform his or her wartime responsibilities.

Status of Forces Survey (SOFS) respondents with a financial challenge in the past 12 months all indicated higher stress and lower feelings of satisfaction and readiness.

↑ Stress
- More stress in military life
- More stress in personal life

↓ Satisfaction
- More dissatisfaction with military way of life
- More dissatisfaction with opportunities for promotion
- More dissatisfaction with total compensation
- More dissatisfaction with quality of supervisor in unit
- More dissatisfaction with type of work in military job
- More dissatisfaction with co-workers in unit

↓ Readiness
- More feel poorly prepared for wartime job
- More feel training poorly prepared them for wartime job
- More feel unit poorly prepared for wartime mission

↓ Retention
- Spouse/significant other/family more likely to view participation unfavorably
- Less likely to plan to re-enlist
Major Activities
What We Do

Train
- DoD implementation: reporting & Common Military Training oversight
- Standardized training curriculum
- Inventory of Financial Literacy Knowledge and Skills
- “Purple” products

Counsel
- Support Economic Security of the Force
- Proactive financial assistance and support
- Assistance with topics across the military lifecycle and beyond

Assess
- Assess program effectiveness
- Benchmark financial well-being and literacy in SOFS
- Monitor and evaluate Service programs
- Monitor the Military Personnel Financial Space/Environment

Protect
- Protect members from fraud and deceptive products
- Monitor Military Lending Act in consultation with Financial Regulators
- Consult with Regulators on consumer protections

Communicate
- Critical education channel
- Create Community of Engagement
- Develop and execute communications plans

OFFICE OF FINANCIAL READINESS
Financially Secure, Mission Ready
Standardized Training Curriculum

Visit Service and Training Resources at:
https://finred.usalearning.gov/
Assessing Financial Training
From Development to Delivery

- **Development Rubric**
  - Aligns with financial education best practices
  - Provides descriptions and identifies specific criteria

- **Delivery Assessments**
  - Air Force: measuring knowledge gain
  - Monitor TSP behaviors
  - Site-visits
  - Survey data
Sources of Curriculum Updates

- Course feedback
  - Student
  - Instructor
- Regulatory or Policy
  - Changes to Thrift Savings Plan
  - Enactment of Basic Needs Allowance
- Marketplace / Operating Environment
  - Increased use of Buy Now, Pay Later credit
  - Crypto assets and related transactions
- Annual Status of Forces Reports
  - Knowledge Assessment
  - Financial Behaviors
Digital Asset Curriculum Plan

- Collaborative effort with multiple FLEC agencies
  - Aligning nomenclature and clarifying guidance
- Development of multiple products
  - Train the Trainer materials
  - In-person materials (Instructor Guide, slides, handouts)
  - Mobile app and website materials
  - STRATCOM products
- Timeline
  - Jul-Aug: Identify learning objectives, information sources
  - Sept-Oct: Build products
  - Nov: Review, possible pilot
  - Dec 1: Estimated Delivery