Financial Literacy for Retirement Employees

Length: 1 Day

Summary: For younger Federal employees, financial planning can be a daunting task given the complexity of their employee benefits and what might be a lack of familiarity with basic financial planning concepts. This one-day financial literacy for Federal employees seminar is designed specifically for such an audience. It provides participants with a basic understanding of the principles of financial and retirement planning within the context of the OPM's led Federal Financial Literacy Initiative. After attending this seminar, attendees will understand financial principles such budgeting, saving, investing, and credit and debt management, and educational saving. Most importantly, they also will understand the importance of the TSP toward their retirement and be equipped with sound investment strategies for best leveraging what TSP has to offer. Finally, they will understand how their Federal employee benefits fit within the overall construct of a financial plan.

Overview: Our Financial Literacy seminar begins with an overview of the Federal employee retirement and insurance programs and how these benefits support overall financial planning. It then moves to lessons covering household budgeting, insurance, savings and debt management, and the TSP. The seminar consists of a series of Power Point based lectures designed to effectively convey key points and answer questions on a wide range of topics that cover basic retirement eligibility and benefits, and touch on the emotional and psychological aspects of retirement. The seminar will specifically focus on Federal retirement benefits and the impact of financial decisions on those benefits after retirement. Each lesson includes a question and answer session and attendees are invited to submit additional questions to the instructor during and at any time following the seminar.

COURSE CONTENT

08:00 – 08:50: Taking Charge of Your Federal Benefits

- Overview and Seminar Goals
- The Importance of Financial Planning & the Federal Financial Literacy Initiative
- Understanding Your Federal Employee Benefits
- Your Financial House

08:50 – 09:00: Break

09:00 – 10:00: Creating the Foundation: Budgeting and Insurance

- Practical Aspects of Setting Goals
- Tracking Expenses & Determining Net Worth
- Budgeting
- Risk Management and Insurance
- The Federal Employees Insurance Programs

10:00 – 10:10: Break

10:10 – 11:00: Starting on the Walls: Savings and Debt Management

- Becoming a "Saver"
- Where to Save – Fairly Liquid
- Emergency Fund Strategies
- Educational Savings
- Debt Management
- Credit Management
- Roadblocks to a Successful Retirement

11:00 – 11:10: Break

11:10 – Noon: Understanding Your Federal Retirement Benefits

- The Three Layer Retirement Cake
- Income Replacement
- Estimating How Much You Need in TSP
- FERS Retirement Benefits
- FERS Survivor Benefits

Noon - 01:00: Lunch

01:10 – 01:50: Investment Planning

- Understanding and Mitigating Investment Risk
- Investment Risk and Returns
- Basics of Prudent Investing
- Investments Choices: Stocks, Bonds, Mutual Funds, Cash, Real Estate & the TSP

01:50 - 02:00: Break

02:00 – 02:50: Building Your TSP Account

- Retirement Savings Plans
- Individual Retirement Accounts (IRAs)
- TSP Employee/Employer Contributions
- Traditional vs Roth TSP
- Investment Options/Considerations
- The L Funds

02:50 – 03:00: Break

03:00 – 03:50: TSP Investment Strategies and Distributions

- Luck Jack
- Investment Strategies
- TSP Distributions and Distribution Strategies
- The TSP Loan Program
- TSP Death Benefits

03:50 – 04:00: Break

04:00 – 04:30: Benefits Planning

- Continuing Insurance into Retirement
- Early Separation Issues
- Open Seasons & Life Events
- Record Keeping and Designations
- Taking Control of Your Life

Seminar Wrap-Up