



Contact: Mark Leach
Media Relations
817-569-2419
msleach@firstcommand.com

FOR IMMEDIATE RELEASE
April 27, 2016

First Command Reports: Career Military Earning Low Marks in Financial Readiness

The First Command Financial Behaviors Index® reveals that middle-class military families appear less financially knowledgeable than their civilian counterparts

FORT WORTH, Texas –The majority of America’s career military families were unable to earn a passing grade on a recently-administered financial readiness test, reinforcing the importance of improved financial training for service members.

Results of the fifth annual financial readiness test and survey commissioned by First Command Financial Services, Inc., in partnership with the [First Command Educational Foundation](#) reveal that middle-class military families (commissioned officers and senior NCOs in pay grades E-6 and above with household incomes of at least \$50,000) earned an average grade of 69. This marks the second consecutive year that military families received a failing score. More than half (56 percent) of military test takers scored a six or lower on the nine-question test.

Members of general population families with similar household incomes performed slightly better, earning an average grade of 74. Forty-one percent of civilian test takers failed to correctly answer at least seven of the questions.

“The results of our annual financial readiness quiz underscore the importance of federal efforts to strengthen the financial knowledge of our men and women in uniform,” said Scott Spiker, CEO of First Command Financial Services. “This year the Department of Defense will be developing new financial education instruction and training programs to help service members make decisions related to the new military retirement system. This is a crucial undertaking, as many military families are worried about how changes to their government benefits and pay may impact their financial futures. They need the best possible information and guidance to help them deal with the financial challenges of today and pursue their goals for tomorrow.”

This year’s quiz and survey results reveal a clear need for improved financial training. Military respondents are significantly more likely than their general population peers to say they completed a financial education program (39 percent versus 21 percent), but the benefits of those programs are not reflected in test scores.

Among the subset of military respondents who report completing a financial education program, 63 percent were unable to earn a passing grade on the test. That’s seven points higher than the 56 percent of all military test takers who failed the test, which means that those who completed a financial education program were more likely to fail than those who did not receive training. Civilian test takers who completed a financial education program failed the test at about the same rate as the overall civilian group.

Through its [Squared Away®](#) program, First Command Financial Services supports financial readiness and education to the military through charitable gifts and hands-on assistance. First Command Educational Foundation, a separate 501(c)(3) charity, provides in-person and online financial readiness tools for service members across the globe as well as increased scholarship opportunities for service members and their families.

“The need for financial assistance is stronger than ever,” said Vickie Coleman, CEO of First Command Educational Foundation. “In 2015, the Foundation responded to a 57 percent increase in financial presentations requests, and this year will bring another big increase. With the changes to the military retirement system and requirements for career and life-stage financial training, we are adding many new financial classes and timing their delivery to maximize financial understanding at the appropriate decision points for service members and their families.”

First Command Financial Services, parent of First Command Financial Planning, Inc. (Member SIPC)
1 FirstComm Plaza • Fort Worth, Texas 76109-4999 • PO Box 2387 • Fort Worth, Texas 76113
1.800.443.2104 • Overseas, Call 1.817.731.8621 • www.firstcommand.com

Also, First Command Financial Services supports financial readiness through [Project Sanctuary](#), which provides therapeutic retreats enabling military families to reconnect and reintegrate into their communities. First Command Financial Services, Inc. serves as the organization's exclusive financial planning partner, providing knowledgeable volunteers who deliver financial education workshops and individual family financial coaching at all retreats.

"The public and private sectors must work together to develop the most effective ways to help service members and their families build a strong foundation of financial knowledge for their ongoing pursuit of long-term financial security," Spiker said.

About the First Command Financial Behaviors Index®

Compiled by Sentient Decision Science, Inc., the First Command Financial Behaviors Index® assesses trends among the American public's financial behaviors, attitudes and intentions through a monthly survey of approximately 530 U.S. consumers aged 25 to 70 with annual household incomes of at least \$50,000. Results are reported quarterly. The margin of error is +/- 4.3 percent with a 95 percent level of confidence. <http://www.firstcommand.com/fbi/>

About Sentient Decision Science, Inc.

Sentient Decision Science was commissioned by First Command to compile the Financial Behaviors Index®. SDS is a behavioral science and consumer psychology consulting firm with special vertical expertise within the financial services industry. SDS specializes in advanced research methods and statistical analysis of behavioral and attitudinal data.

About First Command Educational Foundation

First Command Educational Foundation (FCEF) has been proudly supporting scholars and their families since 1983. FCEF is a 501(c)(3) public charity, and has worked tirelessly to promote their mission to educate those who serve. To that end, FCEF has awarded over \$4 million in scholarship grants to help offset the costs of higher education, and has educated over 60 thousand individuals on numerous financial readiness topics. www.fcef.com

About First Command

First Command Financial Services and its subsidiaries, including First Command Bank and First Command Financial Planning, assist American families in their efforts to build wealth, reduce debt and pursue their lifetime financial goals and dreams—focusing on consumer behavior as the first and most powerful determinant of results. Through knowledgeable advice and coaching of the financial behaviors conducive to success, First Command Financial Advisors have built trustworthy, lasting relationships with hundreds of thousands of client families since 1958.

First Command Financial Services, Inc., is the parent of First Command Financial Planning, Inc. (Member [SIPC](#), [FINRA](#)), First Command Advisory Services, Inc., First Command Insurance Services, Inc. and First Command Bank. Financial planning services and investment products, including securities, are offered by First Command Financial Planning, Inc., a broker-dealer. Financial planning and investment advisory services are offered by First Command Advisory Services, Inc., an investment adviser. Insurance products and services are offered by First Command Insurance Services, Inc., in all states except Montana, where as required by law, insurance products and services are offered by First Command Financial Services, Inc. (a separate Montana domestic corporation). Banking products and services are offered by First Command Bank. In certain states, as required by law, First Command Insurance Services, Inc. does business as a separate domestic corporation. Securities products are not FDIC insured, have no bank guarantee and may lose value. A financial plan, by itself, cannot assure that retirement or other financial goals will be met. First Command Financial Services, Inc. and its related entities are not affiliated with, authorized to sell or represent on behalf of or otherwise endorsed by any federal employee benefits programs referenced, by the U.S. government, or the U.S. armed forces. First Command Educational Foundation is a 501(c)(3) public charity. It is not affiliated with First Command Financial Services, Inc., or any of its affiliated entities.

First Command Financial Services, parent of First Command Financial Planning, Inc. (Member SIPC)

1 FirstComm Plaza • Fort Worth, Texas 76109-4999 • PO Box 2387 • Fort Worth, Texas 76113
1.800.443.2104 • Overseas, Call 1.817.731.8621 • www.firstcommand.com