

Overseas Banking:

By Janine Boldrin

Think local, bank global



Will I be able to access my stateside bank accounts when we move to Japan? Should I change financial institutions if we live in Korea? How will I pay our overseas bills if I only have a checking account in the United States? These are just a few of the questions service members and their families might ask about their finances when they learn they will be moving overseas with the military.

By gathering some information, asking the right questions, and understanding your options, you can make the right decision on what financial institution will meet the banking requirements you'll find at your new home.

Contact your financial institution

First, contact your current financial institution to find out more about their physical presence at the installation where you will be moving or their mobile banking capabilities for military customers who live overseas, and to get information on how they can make your transition easier.

"If you are moving overseas you need to look at your current banking relationship. How are you utilizing it, do you bank online? Or do you use the branch? Most people do both," says Nancy DeDona, Vice President of Membership at Navy Federal Credit Union.

Banking with financial institutions, like Navy Federal, that have branch locations both in the United States and overseas can make for an easier transition when service members get orders to move abroad. Navy Federal has 30 overseas branch locations including Japan, Korea, Guantanamo Bay (Cuba), and Italy, to name a few.

A lot boils down to convenience, adds to DeDona, who once lived in Okinawa, Japan.

She says that Navy Federal tries to be on post and on base where they can and emphasizes the importance of a service member being able to walk into a physical location for some of their banking needs especially in countries like Japan where service personnel often have to pay their rent in traveler's checks.

Beyond branch locations, here are a few other things to discuss with your financial institution:

- Basic information regarding any changes that need to be made to your accounts when relocating
- How and when customer service representatives are available via phone or internet for customer service questions if you are living OCONUS
- Find out what steps you will need to take to have access to your accounts while living abroad, what fees might be associated with your transactions and any special services they offer to service members and their families while living abroad

If your current financial institution does not have the capabilities to meet your requirements, you should seek out one that can and compare your options. Some service members keep their accounts in the United States and also open an account with a local bank. However, you will most likely have to wait until you move overseas to open a local account so make sure you have banking services that will work for you during your transition to your new home.

Talk to the locals

Can bills be paid via a bank check or can online bill pay be used? Are there any special requirements for how rent is paid? Can a credit card be used to purchase groceries or items at Post Exchange?

If you have a friend or sponsor who is located at the installation to which you will be moving, contact them and ask what local requirements you should consider regarding your finances. There are also web sites and blogs that are devoted to discussing living overseas as a service member or as a military family member.

Tom LaRock, Deputy Director at Defense Finance and Accounting Service (DFAS) Corporate Communications, recommends service members attend their installation's new arrival orientation



programs as one way to learn about their new home.

DFAS—which is in part responsible for the daily oversight, control and management of the Department of Defense Overseas Military Banking Program (OMBP)—works to provide “stateside-like banking products and services to authorized customers” overseas through the operation of the DoD Community Bank.

“Like a local bank in a small town back home, the bank’s branches are staffed by people who live in the same place and face the same challenges that our customers do,” says LaRock. “This allows them to understand the needs of customers and provide the local ‘know how’ for such items as rent and utility payments.”

Find a good fit

Armed with information on local requirements and how a current financial institution can meet your needs is a good start. But before making a final decision on what bank to choose, service members should look at several different banking institutions so they can compare:

- Any fees associated with international transactions such as the International Service Assessment Fee, check fees and bill payment fees

What is DoD Community Bank?

The DoD Community Bank offers many of the same services one would expect in any stateside bank, says Tom LaRock, Deputy Director, Defense Finance and Accounting Service (DFAS) Corporate Communications. This includes savings and checking accounts; ATM services; vehicle, debt consolidation and personal loans; CDs and online banking. It isn’t the bank’s intent to be different from stateside banks, but to bring the familiarity of stateside banking to our military communities overseas, according to LaRock. Bank of America is the current contractor for Community Bank, and has nearly 90 banking centers and over 300 ATMs in Germany, the United Kingdom, The Netherlands, Italy, Japan, Korea, Diego Garcia, Guantanamo Bay, Honduras and Kwajalein Atoll.

- Ease of transition from CONUS to OCONUS and then back
- Special services like monetary conversion
- The banks’ basic services, rates, and financial tools

For instance, Pentagon Federal Credit Union offers the Warrior AdvantageSM program, which will waive fees on PenFed checking

accounts in cases of insufficient funds, uncollected funds, and returned ACHs for service members who are Active, Reserve, and National Guard.

Pentagon Federal also offers a PenFed Promise Visa card and PenFed Premium Travel Rewards American Express Card that have no foreign transaction fees. These fees can typically be around 3 percent, so this is a great feature for those making purchases in foreign locales.

Navy Federal has “24/7 contact centers that accept collect calls from overseas and international phone calls so (service members) can reach their banking services at any time,” said DeDona.

And another big advantage is the ability to exchange foreign currency on base for paying those bills or even when getting ready for a trip to experience the world outside the front gate, says LaRock, who adds that Community Bank offers this service at its overseas locations.

With so many options available, service members and their families can easily meet their financial requirements while living overseas and start life at their new home with fewer headaches.

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