Launch Kit

Finding a direction, choosing between college, a trade and the military, paying for it, and moving out.

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If you only read one page

Launching a young adult goes wrong in predictable places. Get these seven things done and you avoid most of them.

1 **Sign the adult documents at 18.** Once your child turns 18, you lose access to their medical, school and financial records. A HIPAA authorization, a health care power of attorney and a financial power of attorney fix that.

2 **File the FAFSA every year.** Even if you think you will not qualify. Many schools use it for their own grants and merit aid.

3 **Compare the cost after aid.** The net price, not the sticker price. College, trade school and the military each have paths with little or no debt.

4 **Build credit early and carefully.** One card, one small bill, and autopay for the full balance every month. Good credit makes the first apartment and car easier.

5 **Teach the basics before they leave.** A budget, a paycheck, a lease and what insurance covers. These are the lessons most young adults learn by making mistakes.

6 **Get renters insurance.** It usually costs little a month and covers their belongings and liability, often including a dorm room.

7 **Know the plan for a health problem.** Their insurance card, the nearest urgent care and who to call. If they stay on your plan, file the college's insurance waiver before its deadline, or the school bills you for its own plan.

Then start here: **What fits**, page 5.

What is in here

15 worksheets in five sections. Start with the first section, then whichever page someone is about to ask you for. A page filled in roughly is worth more than a blank one.

01

Finding a direction

What fits, the paths side by side, and where to learn more.

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What fits

Fill this in together, or have your kid fill it in alone and talk it over after. It is a starting point for the paths in the next section, not a test.

The full guide: hubstone.com/guides/finding-a-career-direction

What they are drawn to

What could you spend hours on without noticing the time?

Which classes, jobs or projects felt worth the effort?

What do people ask you for help with?

What do you want to stay away from?

How they like to work

- ☐ With their hands
- ☐ With people
- ☐ With numbers and data
- ☐ With ideas and writing
- ☐ Outdoors
- ☐ At a desk
- ☐ On a team
- ☐ Mostly alone
- ☐ Same place every day
- ☐ Somewhere new often

What matters most right now

Priority	Rank
Earning money soon	
Staying close to home	
Avoiding debt	
A degree	
A skill or license	
Travel or adventure	
Helping people	
Stability	

Try it before choosing

Job or field	Person to talk to or shadow	When	What they learned

Three conversations. Before choosing a path, talk to three people who do the work. Ask what a normal day looks like, what they wish they had known, and how they got started.

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Comparing the paths

Four common routes after high school, side by side. Many people combine them, such as community college then a transfer, or the military then college on the GI Bill.

The full guide: hubstone.com/guides/finding-a-career-direction

Path	How long	Paying for it	Earning while learning
Four-year college	4 years or more	Tuition, housing, aid and loans	Part-time work only
Community college	1 to 2 years, or transfer to finish a degree	Much lower tuition; many students live at home	Often, with a flexible schedule
Trade school or apprenticeship	Months to about 5 years	Trade school has tuition; registered apprenticeships pay a wage while you train	Yes, in an apprenticeship
Military	Usually 4 years active duty, with an 8-year total obligation	Pay, housing and medical care while serving, plus education benefits	Yes

Details vary by school, trade, branch and state.

Our shortlist

Option	What appeals	What worries us	Next step

Deadlines

What	Deadline	Done

What we decided, and why

Free resources

Official, free tools for each part of the decision. None of them sell anything.

The full guide: hubstone.com/guides/finding-a-career-direction

For	Resource	What it does
Careers	O*NET Online (onetonline.org)	Describes thousands of jobs, with an Interest Profiler that suggests careers
Careers	Occupational Outlook Handbook (bls.gov/ooh)	Pay, training needed and job outlook for hundreds of occupations
Careers	CareerOneStop (careeronestop.org)	Career exploration, training finder and local job centers, from the Department of Labor
College	College Scorecard (collegescorecard.ed.gov)	Cost, graduation rates and what graduates earn, by school and field
College	Each school's net price calculator	An estimate of what your family would actually pay, after grants
College aid	studentaid.gov	The FAFSA, loan types and a loan repayment simulator
Trades	apprenticeship.gov	A finder for registered apprenticeships near you
Military	todaysmilitary.com	The Department of Defense's guide to every branch, from enlisting to officer programs
Military	officialasvab.com	What the ASVAB tests and how scores are used
Military	va.gov/education	The GI Bill and other education benefits

02

Choosing a path

College, the trades, and the military, with the questions to ask.

College decisions

The choices that decide what college will cost and what it leads to: where to apply, how to apply, which offer to take, and how much to borrow.

The full guide: hubstone.com/guides/choosing-a-college

Look at net price, not sticker price. The published cost is rarely what families pay. Every school that takes federal aid has a net price calculator on its website. Run it for each school on the list.

How to apply

Option	Binding	Good to know
Early decision	Yes	You must attend if admitted and the aid is adequate, and withdraw other applications. You cannot compare offers.
Early action	No	Apply early, hear early, and still compare offers until the spring deadline.
Regular decision	No	The most time to compare schools and aid.

Comparing offers

School	Cost of attendance	Grants and scholarships	Net price	Loans offered	Work-study

Grants and scholarships do not have to be repaid. Loans do, and work-study only pays if your kid gets a job and works the hours. Compare net price after grants only.

How much to borrow

Expected first-year salary in the field ____

Total we are willing to borrow ____

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A common rule of thumb. Keep total student loans below the salary your kid expects in their first year of work. College Scorecard shows what graduates of each program earn.

The major

Which majors are you considering, and why?

What jobs do graduates of those majors get?

Is changing majors easy at this school?

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Trade school and apprenticeships

Skilled trades and technical careers, how the training works, and the questions to ask before signing up.

The full guide: hubstone.com/guides/trade-school-and-apprenticeships

Route	How it works
Registered apprenticeship	A paid job with on-the-job training and classes, usually 1 to 5 years. You finish with a nationally recognized credential.
Union apprenticeship	A registered apprenticeship run by a union and employers together, often with benefits from the start.
Trade or technical school	Classroom and shop training, from a few months to 2 years. You pay tuition, and accredited schools can take federal aid such as Pell Grants.
Community college program	Certificates and associate degrees in technical fields, often with lower tuition.

Examples include electrician, plumber, HVAC technician, welder, lineworker, automotive and diesel technician, carpenter, medical assistant, and dental hygienist. Many trades require a state license, and the rules differ by state.

Options we are looking at

Trade	Program or employer	Paid while training	Length	Application deadline

Questions to ask a trade school

- [ ] Is the school accredited, and can students use federal aid?
- [ ] What is the total cost, including tools and fees?
- [ ] What share of graduates find work in the field, and how is that counted?
- [ ] Does the training prepare students for the state license exam?
- [ ] Can we talk to recent graduates?

Be wary of pressure to sign up the same day, or placement numbers the school will not explain. A good program answers these questions in writing.

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The military path

How enlisting and officer programs work, what the recruiter will and will not tell you, and what to get in writing.

The full guide: hubstone.com/guides/joining-the-military

Route	Who it is for	Commitment
Enlisting	High school graduates, with or without college	Usually 4 years active duty
National Guard or Reserve	Part-time service while working or in school	Monthly drills and yearly training
ROTC	College students; scholarships available	Serve as an officer after graduating
Service academy	Admission usually needs a nomination, most often from a member of Congress	Serve as an officer after graduating
Officer candidate school	College graduates	Serve as an officer

Only the contract counts. What a recruiter says is not binding. The job, any bonus, the length of service and the ship date must be written in the enlistment contract.

Questions for every recruiter

- [ ] Can the specific job be guaranteed in the contract, or only a job category?
- [ ] What ASVAB score does that job need?
- [ ] Is there a bonus, and what are its conditions?
- [ ] What education benefits apply while serving and after?
- [ ] Where could I be stationed, and for how long?
- [ ] Can I leave the Delayed Entry Program before shipping, and how?

Recruiters we talked to

Branch	Recruiter	Phone	What they offered

Talk to more than one branch. Bring a parent or another adult to the meetings, and take notes. Every service member has an eight-year total obligation, with any time not on active duty served in the reserves.

ASVAB date ______ ASVAB score ______

MEPS date ______ Ship date ______

03

Paying for it

Who pays for what, and how financial aid works.

College: who pays for what

The money conversation to have before move-in day, with a place to write down what you agreed.

The full guide: hubstone.com/guides/sending-kid-to-college

Annual cost of attendance

Category	Annual cost	Parent	Student	Aid
Tuition and mandatory fees				
Room and board				
Books and course materials				
Personal spending and food beyond the meal plan				
Transportation, including trips home for holidays and breaks				
Phone and tech				
Total				

Put a number on every line. Fill in the dollar amount, then mark who covers it, splitting where you split. Walk your kid through the total.

The decisions

Monthly allowance ☐ None ☐ Paid weekly ☐ Paid monthly

Allowance amount ______ Emergency fund available ______

Emergency fund covers ☐ Medical ☐ Housing ☐ Other

Unexpected costs, like a laptop repair ☐ Parent covers ☐ Discuss first

Part-time job ☐ Encouraged ☐ Optional ☐ Discouraged

Credit card use ☐ Not permitted ☐ Student's own card ☐ Authorized user on your card

Maximum work hours per week ______ Credit card limit and terms ______

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Monthly spending money

Category	Monthly
Food beyond the meal plan	
Entertainment (movies, events, streaming)	
Clothing	
Personal care (haircuts, toiletries)	
Miscellaneous (books, supplies, fun)	
Total monthly allowance	

What is typical. A monthly allowance of $100 to $300, adjusted for your family and the cost of living where the school is.

The conversation

- [ ] Explained the total cost of attendance
- [ ] Agreed on what the parent covers and what the student covers
- [ ] Set up the monthly allowance or a discretionary spending account
- [ ] Reviewed banking options (campus bank, online bank)
- [ ] Added the student to a credit card with a spending limit, if you chose to
- [ ] Explained what credit is and why it matters for their future
- [ ] Explained credit scores and how they are used (housing, jobs, insurance)
- [ ] Discussed credit card limits and how a debt spiral starts
- [ ] Decided whether you will co-sign any loans
- [ ] Discussed emergency expenses (what counts, who pays)
- [ ] Gave them the emergency number and made clear when to call
- [ ] Discussed part-time work expectations
- [ ] Set a monthly check-in time for money conversations

Co-signing. Decide before you are asked. The usual advice is no; a co-signed loan is yours to pay if they stop.

Notes and reminders for your family

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College financial aid

What a school will expect you to pay, what the aid package covers, and what to do about the gap between them.

The full guide: hubstone.com/guides/college-financial-aid

Your Student Aid Index numbers

Component	Your number	Notes
Parents' combined income		From the tax return the FAFSA asks for
Student income		Wages, self-employment
Parents' assets, excluding the home		Savings, investments
Student assets		Savings, investments
Family size		How many in the household
Students in college		Just this student, or more

The formula. Cost of attendance minus your SAI is your financial need. Schools try to cover need with grants, loans, and work-study.

What counts against you

Not counted (protected)	Counted
Retirement accounts (401k, IRA, SEP-IRA)	Student savings accounts
Primary home equity	Student-owned investments
Parent-owned 529 plans	529 plans in the student's name
Life insurance cash value	Parent investment accounts (about 5% assessed)
Prepaid tuition plans, parent-owned	Parent-owned real estate other than the home

FAFSA timeline

When	What happens	What to do
October 1	FAFSA opens	File as soon as you can
December 31	Priority deadline	Most schools treat this as the cutoff
January to March	Aid packages arrive	Read every offer closely
February	Appeal period opens	Ask for a review if you need one
May 1	Decision day	Enroll at the school you chose

Dates repeat each year; confirm each school's own deadlines.

Your aid package

Aid type	Amount	Repay?	Notes
Merit scholarships		No	Based on academics or talents
Need-based grants		No	Based on financial need
Federal loans		Yes	With interest
Work-study		Earned	Part-time job on campus
Total aid			

Cost of attendance ______ Total aid ______

Your gap (cost minus aid) ______

Merit aid versus need-based aid

Aspect	Merit aid	Need-based aid
Based on	Test scores, GPA, talents	Financial situation (SAI)
Requires FAFSA	No	Yes
Can stack	Yes, with need-based aid	Yes, with merit aid
Timeline	Usually with admission	January to March
School-specific	Varies with school priorities	Varies with school funding

Appealing the package

Worth appealing when any of these apply.

- [ ] Job loss or a big drop in income after filing the FAFSA
- [ ] Major medical expenses or unexpected hardship
- [ ] Errors in your FAFSA
- [ ] Unusual family circumstances (supporting relatives, private school costs)
- [ ] A better offer from a peer school

1. **Contact the financial aid office.** Phone or email.
2. **Ask what qualifies.** Ask which circumstances the school considers grounds for an appeal.
3. **Write the letter.** One page, honest, specific.
4. **Attach documentation.** Pay stubs, medical bills, whatever supports what you are saying.
5. **Submit by the school's deadline.** Ask for the date when you first call.
6. **Follow up.** If you have heard nothing after two weeks, check in.

If there is still a gap

Option	What it means
Community college first	Two years, then transfer. The savings are significant.
Work and study part-time	A longer timeline, less debt.
Gap year	Work and save before attending.
A more affordable school	Not every school fits your budget.
Outside scholarships	Search after May 1 for smaller awards, $500 to $2,000.

Rules and deadlines vary by school and change from year to year. Check with the school's financial aid office before acting on any of this.

04

Moving out

The papers at 18, health insurance, the first apartment and job, credit, and real money.

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College: health and legal papers

The papers that stop working automatically when your kid turns 18, and the insurance to update before move-in. Keep one copy with your student and one at home.

The full guide: hubstone.com/guides/college-launch

Legal papers to sign first

Document	Get it from	Lead time	Done
Healthcare proxy or medical power of attorney, signed and notarized	State health department, an attorney, or a legal document service	2 to 3 weeks	
HIPAA authorization	Your primary care doctor, or a printed template	About a week	
FERPA release	The college registrar, who will email the form	Ask now	
Bank account authorization	Your bank	When the account is opened	
Durable power of attorney (optional)	An attorney	Before move-in	

What each one does. The healthcare proxy lets you make medical decisions and get information if your student cannot. The HIPAA form lets doctors talk to you. The FERPA release lets the school discuss grades with you, and only your student can sign it. A durable power of attorney is broader than a healthcare proxy and covers finances as well.

Papers to pack

Document	Notes	Done
Health insurance card and policy	Digital and physical copies	
Auto insurance card	If the car is going to college	
Renters insurance policy	Covers belongings in a dorm or apartment	
Birth certificate	Original or certified copy	
Social Security card	Keep it somewhere secure	
Passport	If international, or planning to travel	
Medical records and vaccination history	Required by the college; give your student a copy	
List of current medications and allergies	A wallet card, and share it with the roommate	
College ID and enrollment confirmation	For records and access to campus services	

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Insurance audit

Health insurance	Status	Provider contact or notes
Coverage verified at the college location		
Out-of-network status confirmed		
Prescription coverage reviewed		
Student health center covered		
Deductible and co-pay amounts		
Confirmed they stay on your plan through age 26		
Address updated to the dorm address		

Auto insurance, if there is a car	Status	Notes
Car moving to college reported to the insurer		
Student listed as a driver		
Away-at-school discount applied		
Primary driver status updated		
Coverage confirmed at the new location		

Renters insurance	Status	Notes
Quote obtained and dorm coverage bought		
Policy type chosen: add-on to your policy, or standalone		
Coverage amount enough for the belongings		
High-value items listed		
Belongings photographed		

Key contacts

Primary care doctor

Doctor's phone and fax

Doctor's address

Health insurance provider

Insurance phone and policy number

Student health center phone

Emergency number your student will call ______ Roommate ______

Roommate's phone ______

Move-in day check

- [ ] Healthcare proxy signed and on file, one copy at home and one with the student
- [ ] HIPAA authorization signed
- [ ] FERPA release signed, if the student is comfortable with it
- [ ] Health insurance updated and the cards in the student's wallet
- [ ] Auto insurance updated, if there is a car
- [ ] Renters insurance in place
- [ ] Copies of every insurance card and policy number, for both of you
- [ ] All critical documents in one folder, physical and digital
- [ ] Medication list and allergy card made
- [ ] Parent emergency contact confirmed with the student
- [ ] Roommate information obtained and shared with the family

How health insurance works

The words on the card, how long a parent's plan can cover them, and the college insurance bill that arrives if nobody opts out.

The full guide: hubstone.com/guides/college-launch

The words that decide what you pay

Term	What it means
Premium	The monthly price of the plan, paid whether you use it or not. Often paid by a parent's or your own employer.
Deductible	What you pay each year before the plan starts sharing the cost. Most checkups and vaccines are free even before it.
Copay	A flat fee for a visit or prescription, such as $30 to see a doctor.
Coinsurance	Your percentage of the bill after the deductible, such as 20%.
Out-of-pocket maximum	The most you pay in a year for covered care in network. After that the plan pays 100% until January 1.
Network	The doctors, hospitals and pharmacies with a contract with the plan. Outside it, care can cost far more or not be covered.

An example. A plan with a $1,500 deductible and 20% coinsurance, and a $3,000 urgent care and X-ray bill. You pay the first $1,500, then 20% of the remaining $1,500, which is $300. Your total is $1,800 and the plan pays $1,200.

Where to go for care

Go to	When
Telehealth or the student health center	Colds, rashes, prescriptions and questions. Usually the cheapest.
Urgent care	Sprains, stitches, a high fever, when your doctor is closed. Far cheaper than the ER.
Emergency room	Chest pain, trouble breathing, a serious injury. In an emergency, the plan must cover it at in-network cost, even at an out-of-network hospital.

Staying on a parent's plan

Generally, a young adult can join and stay on a parent's job-based plan until 26, even if they marry, have a child, start or leave school, live away from home, are not claimed as a tax dependent, or turn down coverage at their own job. Marketplace plans cover them through December 31 of the year they turn 26. Check with the plan, because some states and plans have different rules.

Make sure the plan works where they live. Many HMO and EPO plans cover only emergencies outside their area. Before they move, look up an in-network doctor, urgent care, hospital, pharmacy and counselor near the school or apartment.

At 26, the coverage ends. Losing it opens a special enrollment period at HealthCare.gov from 60 days before to 60 days after. Enroll before the old plan ends so there is no gap, or join a plan at work.

The college insurance bill

Many colleges require every student to have health insurance. They automatically enroll each student in the school's own plan and add the charge, often thousands of dollars a year, to the tuition bill. To stay on a parent's plan instead, the student has to submit a waiver with proof of coverage by the school's deadline.

1. **Look for the waiver in the summer.** It is on the student health or student billing website, and the notice usually goes to the student's new school email, which many students do not check yet.
2. **Find the deadline.** It often falls before classes start or in the first weeks of the term. At some schools a missed deadline means the charge stays for the whole year. Others allow a late waiver for a fee.
3. **Check the parent plan first.** Waive only if the parent plan has in-network doctors, a hospital and mental health care near campus. If it does not, the school plan may be worth keeping.
4. **Save the confirmation.** Keep the approval email or a screenshot until the charge is gone from the bill.
5. **Do it again next year.** Many schools make students waive every year, and some every term.

School insurance waiver deadline	Waiver submitted on
Confirmation number	Next year's deadline
In-network doctor near school	In-network urgent care near school

Rules and deadlines differ by school and by plan. Check the school's student health insurance page every summer.

Your kid's first apartment

What to read in the lease, what to set up before move-in day, and who to call when something breaks.

The full guide: hubstone.com/guides/kids-first-apartment

Reading the lease

- [ ] Rent amount and due date
- [ ] Late fees and grace period
- [ ] Lease term dates
- [ ] Early termination clause
- [ ] Which utilities are included
- [ ] Pet policy and deposits
- [ ] Maintenance responsibility
- [ ] Security deposit amount
- [ ] Deposit return timeline
- [ ] Notice required to move out
- [ ] Landlord entry rights
- [ ] Renewal terms

Red flags in a lease. A landlord who can raise rent mid-lease. No stated timeline for returning the deposit. The tenant responsible for structural repairs. Entry without notice. Automatic renewal unless the tenant acts.

Utilities, in order

Utility	Lead time	Status
Electricity	3 to 5 days	
Gas or heating	3 to 5 days	
Water	Usually set up by the landlord	
Internet	1 to 2 weeks	

Before move-in day. Set up every utility ahead of time. Do not assume anything is on.

Apartment emergency kit

- [ ] Hammer
- [ ] Screwdriver set
- [ ] Adjustable wrench
- [ ] Flashlight
- [ ] Step ladder
- [ ] Plunger (cup style)
- [ ] Drain snake
- [ ] Duct tape
- [ ] Painter's tape
- [ ] Electrical tape
- [ ] Paper towels
- [ ] Spackle and a brush
- [ ] Light bulbs
- [ ] Cleaning supplies
- [ ] Bandages
- [ ] Antibiotic ointment
- [ ] Pain reliever
- [ ] Antacid
- [ ] Thermometer

Emergency contacts

Contact	Phone	Notes
Landlord or property manager		Include the 24-hour line if there is one
Local non-emergency police		
Gas emergency line		Call right away for a gas smell
Electric utility emergency		
Water or sewer emergency		
A trusted plumber		Get a recommendation before you need one
A trusted electrician		Get a recommendation before you need one
Nearest hospital		Address and phone
Poison control	1-800-222-1222	National line

When to call whom

Problem	What to do
No heat or air conditioning in bad weather	Call the landlord right away. No response in 24 hours, call the local housing authority.
Burst pipe or water damage	Turn off the water at the main valve, photograph the damage, call the landlord.
Electrical fire or a smoking outlet	Turn off the breaker, get out if you need to, call 911, then the landlord.
Gas smell	Leave immediately and call the gas company from outside. Do not touch light switches.
Broken lock	Call the landlord the same day. It is a security issue.
Pests	Photograph, notify the landlord in writing, ask for pest control.

What your kid should have on hand

- [ ] Insurance policy number and provider contact
- [ ] Landlord contact and lease dates
- [ ] All utility account numbers and passwords
- [ ] WiFi password and router location
- [ ] Family emergency contacts, including your number
- [ ] Maintenance and repair contacts
- [ ] Photos of belongings, for insurance
- [ ] Water shut-off location

- [ ] Electrical panel location
- [ ] Move-out checklist and deadlines

Renters insurance

Question	Answer
Cost	About $15 a month, varies by location
Covers	Personal property, liability, and extra living expenses if the place becomes uninhabitable
Does not cover	The building itself. That is the landlord's insurance.
How to buy	Online, in about 10 minutes
Common providers	State Farm, Allstate, Geico, Lemonade, Progressive

Photograph everything. Take photos of everything they own and write down serial numbers before anything goes wrong.

Your kid's first job

The benefits choices that come up in the first week of a real job, and what the first paycheck will actually look like.

The full guide: hubstone.com/guides/kids-first-job

Benefits enrollment

Benefit	What to do	Done
401k plan	Confirm the employer match and pick a target-date fund	
Health insurance	Choose HMO, PPO, or HDHP	
Dental insurance	Usually $20 to $50 a month, worth taking	
Vision insurance	Covers exams and discounts on glasses or contacts	
FSA or HSA	Pre-tax medical expenses. An HSA beats an FSA if they are healthy	
Life insurance	Term life at 2 to 3 times salary, cheap at this age	
Disability insurance	Long-term disability, about 60% of salary	
Beneficiary forms	Name beneficiaries for the 401k, life insurance, and HSA	

The window closes. Benefits enrollment usually has to happen in the first week or so, and after that it is once a year. Sit down together before the deadline.

First paycheck decoder

Annual salary ____________________

Biweekly gross (salary divided by 26) ____________________

401k contribution (3 to 4 percent minimum, enough to get the match) ____________________

Health insurance per paycheck (usually $100 to $300) ____________________

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Deduction	Rate	Biweekly amount
Federal income tax	About 12%	
Social Security	6.2%	
Medicare	1.45%	
State income tax	About 4%	
401k contribution	Your choice	
Health insurance	Varies	
Total deductions		
Net paycheck		

Expect 30 to 40 percent less. Most new employees are surprised that the first paycheck is 30 to 40 percent smaller than the gross. It is normal. Budget from the net number.

Emergency fund

Phase	Target	Your number
Buffer	$1,000, for a one-time small emergency	
Safety net	3 months of living expenses	
Long-term	6 months of living expenses	

Before investing or extra loan payments. Build the emergency fund first. Keep it in a high-yield savings account; online banks tend to pay more than traditional ones. Not in checking, not in the stock market.

Why starting at 22 matters

Contribution each year	Start at 22	Start at 32	Difference at 65
$1,200 (3% of $40,000)	About $297,000	About $143,000	$154,000 more
$2,000 (5% of $40,000)	About $496,000	About $238,000	$258,000 more
$5,000	About $1,239,000	About $595,000	$644,000 more

Assumes 7 percent a year, steady contributions, and no employer match, to age 65. Real returns vary.

Ten more years of compounding. That is why the employer match is worth so much more at 22 than at 32.

The conversation to have

- [ ] Sit down during the benefits enrollment window, usually the first week
- [ ] Go through the benefits guide together
- [ ] Work out the actual first paycheck, gross and net
- [ ] Confirm they are getting the full 401k employer match
- [ ] Make sure they open a savings account for the emergency fund
- [ ] Set up automatic transfers to it, even $50 to $100 a paycheck
- [ ] Talk through the health insurance choice (HMO, PPO, or HDHP) against their health needs
- [ ] Ask how the employer handles mid-year 401k changes; most other benefits lock until the next annual enrollment

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How credit works

Why a three-digit number follows you for life, and the easiest way to build a good one: one card, one small bill, paid automatically.

The full guide: hubstone.com/guides/financially-capable-adult

Why it matters

Your credit report is the record of how you have paid back borrowed money. Your credit score is a number calculated from it. Landlords check it before they rent to you. Lenders use it to decide the interest rate on a car loan or a mortgage, which can mean thousands of dollars over the life of a loan. Phone and utility companies may ask for a deposit when there is no history, and in most states insurers use credit to help price car insurance. With no credit history at all, many of these doors are harder to open.

What goes into a FICO score	Share
Payment history: whether you paid on time	35%
Amounts owed: how much of your credit limits you are using	30%
Length of credit history: how long your accounts have been open	15%
New credit: how many accounts you opened recently	10%
Credit mix: cards, car loans, student loans and mortgages	10%

Source: myFICO, What's in my FICO Scores.

The set-it-and-forget-it card

1. **Get a starter card.** A student card, or a secured card where your deposit, often a few hundred dollars, becomes the credit limit. Ask whether it reports to all three credit bureaus. Under 21, card companies need proof of your own income or a co-signer.
2. **Put one small bill on it.** A streaming service or the phone bill. Nothing else goes on the card.
3. **Turn on autopay for the full statement balance.** Not the minimum payment. The bill gets paid on time every month, and you never pay interest.
4. **Keep the balance low.** Stay under 30% of the limit, and lower is better. A $500 limit means under $150.
5. **Leave it open.** The age of your accounts counts, so keep your first no-fee card open for years.

6 **Check your reports.** Free every week from Equifax, Experian and TransUnion at AnnualCreditReport.com. Look for accounts that are not yours.

The full balance, not the minimum. Paying only the minimum keeps the account current, but interest is charged on the rest, often more than 20% a year.

One late payment follows you. A payment 30 or more days late can be reported to the credit bureaus and stay on your report for up to seven years. Autopay is how you make sure it never happens.

Other ways to start

Option	How it works
Authorized user	A parent adds you to their card. Their on-time history can show on your report. Ask the card company whether it reports authorized users.
Credit builder loan	A bank or credit union puts a small loan, often \$300 to \$1,000, in a locked savings account. You pay it off over 6 to 24 months, then get the money.

Source: CFPB, Building credit from scratch; FTC, free weekly credit reports.

Card (last four digits only) ______ Credit limit ______

Bill on autopay ______ Autopay set up on ______

Reports last checked on ______ Score last checked ______

Financial capability

What to hand over at each age so your kid has handled real money, and real credit, before they leave home.

The full guide: hubstone.com/guides/financially-capable-adult

Milestones by age

Age	Milestone	What to give them	Goal
13	The foundation	First debit card and an allowance	Learn from spending while the stakes are low
16	Real work	First job, part-time or summer	Shift from being given money to earning it
16 to 17	Credit gateway	Authorized user on your credit card	Learn how credit works in a safe setting
18 and up	Independence	Own checking account and independent credit	Build a credit history and manage real money

Skills to teach before they leave

- ☐ How to read a bank statement (debits, credits, fees, overdraft)
- ☐ How taxes work (W-4, paycheck deductions, filing)
- ☐ How to build a basic budget (income minus fixed costs minus variable costs is what is left)
- ☐ How to spot scams and predatory offers
- ☐ How 401ks and retirement accounts work (the employer match is free money)
- ☐ How insurance works (renters, car, health) and why it matters
- ☐ How to negotiate a salary or hourly rate
- ☐ How to find an apartment, read a lease, and budget rent at 25 to 30 percent of income

Which of these has your teen already learned?

Which do you need to teach before they leave?

Finding a direction
Choosing a path
Paying for it
Moving out
After they go

Credit-building timeline

Age	Action	Why it matters	Done
16 to 17	Add them as an authorized user on your card	Builds credit history without risk; they see credit in action	
18	Open a secured credit card ($300 to $500 deposit)	Starts an independent credit history; a low limit means low risk	
18 to 20	Pay on time; keep utilization below 20%	Proves reliability; builds a positive payment history	
21 to 22	Enroll in the 401k at the first job; contribute enough to get the match	Free money, retirement savings, and a first lesson in investing	
22 and up	Upgrade to an unsecured card; understand loans	Ready for car loans, student loans, and eventually a mortgage	

Handing over control, by age

Age	What they control	Boundaries	Your role
13 to 14	A weekly allowance, fully discretionary	No bailouts for small mistakes	Watch, observe, debrief
15 to 16	Part of the household budget (clothes, social)	Groceries and utilities stay with you	Guide and question gently
16 to 17	Their own earnings plus allowance	They see their money flow	Available to discuss
18 and up	All their money; rent and food are their choices	Minimal boundaries; they are driving	Consultant only

Your plan

This month, the money conversation to have ____________________

This month, the budget area to hand over ____________________

This month, the skill to teach ____________________

- [ ] If they are 16 or older, help them find a job or side gig in the next six months
- [ ] If they are 16 to 17, add them as an authorized user on a card, or at least talk about it
- [ ] If they are 18 or older, review their 401k options and employer match with them
- [ ] Talk about the value of earning money versus receiving it
- [ ] Talk about how credit works and why it matters
- [ ] Talk about what financial independence actually means

05

After they go

The house, the budget and the paperwork once the kids have moved out.

Finding a direction
Choosing a path
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Empty nest

What changes in the house, the budget, and your estate paperwork once the kids move out, and the conversation with your own parents that often comes at the same time.

The full guide: hubstone.com/guides/empty-nest

Household audit

- [ ] Review utility usage (water, electric, heating). A 20 to 30 percent reduction may be possible
- [ ] Assess kitchen equipment. Two ovens, oversized appliances? Downsize if it makes sense
- [ ] Grocery shopping: shop less often, rethink bulk buying and storage
- [ ] Cars: do you need every vehicle? Ask the insurer about savings
- [ ] Home changes: guest room, office, an accessory dwelling unit, redesigned spaces
- [ ] Internet, phone, and service plans: resize for a smaller household
- [ ] Furniture and equipment: remove or repurpose what was sized for a bigger family

Freed-up money

Category	Monthly	Annual
Groceries		
Car insurance (a driver removed)		
Cell phone line		
School and activity fees and supplies		
Clothing and personal care		
Miscellaneous (entertainment, gifts, meals)		
Total freed-up money		

Where it goes

Allocation	Suggested share	Amount	Plan
Retirement acceleration (401k, IRA, taxable)	40%		
Aging parent support fund	30%		
Quality of life (travel, hobbies, experiences)	30%		

Estate documents to update

- [ ] Will and trust. Guardianship language is now moot; update executors, trustee roles, and how assets are split
- [ ] Beneficiary designations on life insurance, retirement accounts, and investment accounts. Still correct?
- [ ] Healthcare power of attorney. Who decides if you cannot? Have you asked whether they are willing?
- [ ] Financial power of attorney. Who can get into accounts and manage money if you are incapacitated?
- [ ] Advance directive. Resuscitation, end-of-life preferences, organ donation
- [ ] Property deed. Ownership structure, beneficiaries, and tax implications for the family as it is now
- [ ] Legacy letter. Your wishes, values, funeral preferences, and what your family will need to know
- [ ] Attorney appointment. Book time to update the documents and bring this list

Questions for your own parents

- [ ] Do you have a current will, trust, or estate documents? When were they last updated?
- [ ] Healthcare preferences: aging in place, assisted living, or something else? Is there a healthcare power of attorney?
- [ ] Who handles the money if you cannot? Is there a financial power of attorney?
- [ ] Medical wishes: DNR, resuscitation, end-of-life care?
- [ ] Where are the original documents, and who has access?
- [ ] Financial overview: retirement income, assets, debts, long-term care resources?
- [ ] Have all the siblings discussed expectations and who does what?
- [ ] Long-term care: research costs and options in your area now

Next steps

1. **This week.** Finish the household audit and work out the freed-up money.
2. **This month.** Decide where the freed-up money goes. Call an attorney to schedule the estate document review.
3. **This quarter.** Talk with your partner about what you each want this next stretch to look like. Start the conversation with your parents if you have not.
4. **Every year.** Put a reminder on the calendar to review this page, and sooner after any major life change.

This does not have to stay paper

You have just written down the things your family would otherwise have to work out under pressure. Keep this binder somewhere two people know about, and tell them it exists.

Paper goes stale. A phone number changes, a policy renews, a parent moves, and the page you filled in last spring is quietly wrong.

Hubstone holds the same record and keeps it current. Enter something once, and share each page only with the people who should see it. When a detail changes, the record changes with it, and the reminder comes before the deadline. The Launch Kit is free, on paper and in the app.

Fill it in once

Scan to start at hubstone.com/start. No card needed.