The Parent Power Plan

A practical planning guide for parents of 18-year-olds heading to college, taking a gap year, traveling, or starting work.

Helping families navigate the transition from dependence to guided independence.

ARDEN HILL PARTNERS

When your child turns 18, the planning conversation changes.

You may still be helping with tuition, housing, insurance, travel, or everyday expenses—but legally and practically, a great deal has changed. This guide is designed to help families think through the financial, legal, insurance, and practical questions that come with the transition from full parental oversight to guided independence.

The goal is not to create a perfect plan. It is to create a thoughtful one.

How to Use This Guide

- **Discuss:** Sit down with your child and review these sections together.
- **Prioritize:** Identify which financial, legal, insurance, or communication items need attention first.
- **Prepare:** Work through the checklist before move-in, travel, or the start of a new job so expectations and responsibilities are clear on both sides.

What This Guide Covers

- Defining the path for the next 12 months
- Clarifying what parents are paying for—and for how long
- Building a workable money system
- Reviewing the 18+ powers package
- Thinking through insurance and path-specific planning
- Making sure the parents' own plan still works too

> ***Key Reminder:*** *At 18, the legal relationship changes even if the financial relationship has not. That gap is where planning becomes especially important.*

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1. Define the Path

Start with the next 12 months. What is your child actually doing?

☐ College
☐ Trade school / apprenticeship
☐ Gap year
☐ Travel / backpacking abroad
☐ Full-time job
☐ Part-time work while living at home
☐ Military service
☐ Still deciding

Clarify the Basics

What are the key dates or deadlines? ____

What does success look like by next summer? ____

What is one skill or responsibility you want your child to grow into during this transition?

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2. Clarify Financial Support

The most important question is not whether you want to help. It is what support looks like, how long it lasts, and who is responsible for what.

Expense Allocation Checklist

What are parents covering?	Parent Covers	Child Covers	Shared / N/A
Tuition / training	☐	☐	☐
Housing / dorm / apartment	☐	☐	☐

What are parents covering?	Parent Covers	Child Covers	Shared / N/A
Meal plan / groceries	☐	☐	☐
Books / supplies	☐	☐	☐
Transportation / gas	☐	☐	☐
Auto insurance	☐	☐	☐
Health insurance	☐	☐	☐
Phone	☐	☐	☐
Travel	☐	☐	☐
Emergency expenses	☐	☐	☐
Spending money	☐	☐	☐

How long will support continue?

☐ One semester
☐ One school year
☐ Through graduation
☐ Until full-time employment
☐ Other: ________________________

How will support be delivered?

☐ Fixed monthly support
☐ Reimbursement as expenses arise
☐ A set budget they manage

☐ Other: ______________________

Key Question: What does success look like by next summer—for your child and for your family?

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3. Build the Money System

Before your child leaves home, review the basics.

☐ Checking account reviewed or opened

☐ Savings / emergency fund discussed

☐ Parent transfer system clarified

☐ Monthly spending expectations reviewed

☐ Rules for unexpected expenses discussed

☐ Debit / credit card safety and fraud prevention reviewed

☐ "Who Pays for What" cheat sheet created

Helpful Prompts

Will support be automatic or need-based?

Who covers a one-off emergency expense?

Does your child understand how to avoid overdrafts, credit card interest, and common scams?

4. Review the 18+ Powers Package

Once a child turns 18, parents may not automatically have access to medical, financial, or educational information.

☐ Healthcare Power of Attorney / Advance Healthcare Directive

☐ HIPAA Authorization

☐ Financial Power of Attorney

☐ FERPA release if attending college

☐ Emergency contacts updated

☐ Insurance cards copied and stored securely

☐ Passport / ID copies saved in a secure location

Important note: *Legal document requirements and validity can vary by state. Families should consult qualified legal counsel regarding their specific circumstances and the preparation of any legal documents.*

Arden Hill Perspective

At 18, the planning conversation is no longer just about tuition or spending money. It is also about emergency access, responsibility, and reducing avoidable confusion during a major family transition.

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5. Review Insurance and Protection

☐ Health insurance coverage confirmed

☐ Auto insurance reviewed

☐ Renters coverage considered for dorm or apartment living

☐ Travel medical coverage reviewed if traveling abroad

☐ Important documents stored securely and accessible if needed

6. Match the Plan to the Path

Not every “leaving the nest” plan is the same. Use the section that fits your child’s next step.

If Going to College or Trade School

☐ Set a budget for books, supplies, fees, and travel

☐ Clarify work expectations during the semester or summer

☐ Review FERPA process and emergency contacts

☐ Discuss what happens if the school path changes

If Taking a Gap Year

☐ Define the purpose of the year

☐ Set a timeline and check-in points

☐ Clarify parent support boundaries and budget

☐ Decide what progress or accountability should look like

If Traveling Abroad

☐ Share itinerary and emergency contact plan

☐ Review travel medical coverage

☐ Set up a secure backup payment method

☐ Store passport and ID copies securely

☐ Clarify what happens if money runs short or plans change

If Starting Work

☐ Review pay stub basics, taxes, and withholding

☐ Set up direct deposit and savings goals

☐ Consider a Roth IRA or 401(k) contribution from day one

☐ Clarify rent, transportation, and insurance responsibilities

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7. Don’t Forget the Parents’ Plan

Helping a child launch well is important. So is protecting the long-term health of the parents’ plan.

Review the parent side of the equation:

☐ Is the support amount sustainable?

☐ Will this affect retirement savings or other long-term goals?

☐ Have you considered fairness with younger siblings, if relevant?

☐ Are estate planning or beneficiary updates worth reviewing?

☐ Are you creating support—or unintentionally creating dependency?

Questions worth asking

If this support lasts longer than expected, does the plan still work?

Are both parents aligned on what "helping" means?

Are you making decisions from a place of clarity rather than guilt, urgency, or habit?

Conversation Starter

If you are not sure how to bring this up with your child, try this:

> **"We want you to be independent, and we also want to be clear about what support we can provide. Here's what we're able to help with, and here's what we need you to take ownership of."**

That conversation may feel uncomfortable, but clarity now can prevent confusion later.

Next Steps for Your Family

1. **Review Together:** Block off 30 minutes this week to walk through the checklist with your child.
2. **Identify the Gaps:** Mark the financial, legal, insurance, or communication items that still need attention.
3. **Set the Timeline:** Decide what needs to happen before move-in, departure, or the start of work.
4. **Decide What Support Looks Like:** Get clear on what parents are covering, what the child is responsible for, and how support will work in practice.

Need help thinking through your family's next step?

> If your child is heading to college, taking a gap year, traveling, or starting work, Arden Hill Partners can help you think through the financial, insurance, and planning side of the transition with greater clarity and structure.
>
> **Schedule a Parent Power Plan Conversation**

Arden Hill Partners

Strategic guidance for families navigating important transitions.