

MONEY

in real life



Welcoming a New Child to Your Military Family: A Financial Planning Checklist



Bringing home a new child is an exciting time for your family. While your household will grow in love, it will also [grow in expenses](#). Use this checklist to help prepare for what lies ahead.

Planning Ahead

- Emergency fund:** Begin or continue to build your emergency savings to help offset the financial impact of a new child.
- Medical costs:** Check with your TRICARE plan to ensure you have a clear understanding of your coverage and what to expect from your medical bills.
- The gear:** Don't get drawn into buying more than you need. Instead, consider money-saving alternatives, like shopping secondhand and borrowing items.
- Leave plans:** Consider how a potential decrease in income may affect your spending plan if you or your spouse will be taking maternity or paternity leave. Make sure you budget to reflect your new household income and potential loss of employee benefits (like retirement contributions or insurance policies) if one of you intends to stay home for an extended period of time.
- Child care:** Research your child care options and make a plan based on your needs, especially if you or your spouse both plan to return to work. (Hint: Check out your [installation's child care availability](#) and other [options for military families](#).)

Welcome Home

- Health insurance:** Add your newest family member to your TRICARE plan!
- Life insurance:** Consider adjusting your own life insurance policy and possibly taking one out for your child.



- Recurring costs:** Incorporate recurring costs — like diapers, formula, increased grocery bills and child care — into your spending plan.
- Review and adjust:** Take time to regularly assess your spending plan and look for areas to save. Children’s needs can change broadly from month to month, especially when they’re babies.

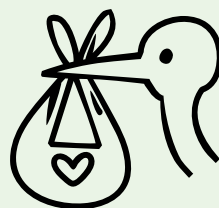
Looking Forward

- Estate planning:** Adjust any estate planning documents (like your will or trust) to include your new family member.
- Benefits:** Look at your beneficiary designations and make updates to include your new family member, if necessary.
- College fund:** [Consider your savings options](#) sooner rather than later if you plan to contribute to your child’s future education. (Hint: You can use the money you save on taxes during a deployment to contribute to a college fund!)
- Family goals:** Make a plan to help you reach both short- and long-term savings goals, like taking a yearly family vacation, buying a larger house or getting your teenager a car one day.
- Habits:** Think about how you’ll help your kids develop [good financial habits](#) — it’s never too early to start.

Of course, no matter how well you plan, your kids and your finances will probably always keep you on your toes. As your family’s needs change, take time to assess and adjust your financial plans.

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For more financial planning resources, visit the [Office of Financial Readiness](#) website, follow @DoDFINRED on social media and download the Sen\$e app for tips on the go.



These Fun Extras Add Up!

They aren’t necessities, but they sure are fun — and you can still budget for them!

- Birth announcements
- Family photos
- Holiday and birthday gifts
- Extracurricular activities
- Extra coffee
(just kidding ... or are we?)