

*Your dream, your plan, **your future***

Navigating Your Financial Future offers many free financial resources such as online workshops, helpful links, audio presentations, a monthly E-newsletter, and more!

Questions? Outreach Representatives are available to answer your questions. Simply visit our website at www.NavigatingYourFuture.org and choose the "Contact Us" tab to locate an Outreach Representative near you.

Additional Resources:

- www.Equifax.com
- www.Experian.com
- www.Transunion.com



www.NavigatingYourFuture.org

Scan the QR code with your SMART phone to access our site.



©2015 Florida Department of Education, Office of Student Financial Assistance (OSFA)
This publication is provided for educational purposes only and not intended for resale.

Managing Your Credit



*your dream, your plan, **your future*** **NyFF**
NAVIGATING YOUR FINANCIAL FUTURE

Managing Your Credit

Establishing and maintaining good credit can provide many benefits to your financial future. It can help you obtain a car or home loan, a lease on rental property, and in some cases, a desirable job. Follow these steps to effectively manage your credit.

1

Establish good credit.

Prepare a realistic monthly budget.

Open a checking/savings account.

Evaluate your credit options: choose a card with a low interest rate and no membership fees.

Charge only what you can afford to pay.

Pay more than the minimum payment to reduce your balance at a faster rate.

Sign the back of your card or write "Ask for ID" to protect yourself from identity theft.

Keep your address current to ensure timely delivery of monthly statements.

2

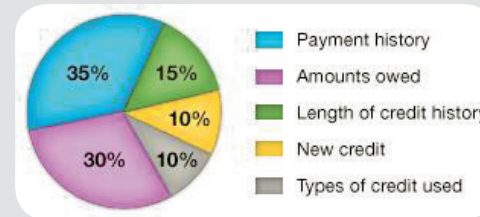
Understand your credit report and credit score.

Credit reports reveal a lot about your financial habits. Financial institutions or lenders review your credit background to determine how much credit, if any, to grant you.

You may obtain a FREE credit report by visiting www.AnnualCreditReport.com. There are three major consumer reporting agencies: Trans Union, Experian, and Equifax. You may request one free report from each agency per year.

Credit scores, also known as FICO scores, reflect the credit "risk" level. If your score is low, you are a high risk of not paying back the money. If your score is high, you are a low risk and pay back money promptly.

Credit scores are determined from:



Credit Score Range:

300 (Bad) – 850 (Excellent)

Source: www.myfico.com

Review your credit report for accuracy. Verify credit card account information, payment history, and public record information.

If you find a discrepancy or error, you may file a "consumer dispute" with the credit bureau which is obligated to verify the accuracy of their report when notified.

A word of caution:

Credit repair companies are **required** to explain your legal rights in a written contract, services they will perform, your right to cancel without any charge, the cost you will pay, and any guarantees made.

The Credit Repair Organization Act (CROA) is enforced by the Federal Trade Commission and their job is to monitor credit repair companies closely.

Credit counselors can help you develop a personalized financial plan to fit your particular situation.

3

Guard against identity theft.

Identity theft occurs when someone obtains and uses your identifying information (name, address, date of birth, Social Security Number, or mother's maiden name) to commit fraud. An imposter can open credit card accounts, purchase cars, apply for loans, drain bank accounts, or open utility services **in your name**.

Protect Your Identity

- Keep all documents in a safe place.
- Leave important documents at home.
- Shred old receipts, applications, and forms.
- Protect passwords and PINs.
- Do not give your Social Security Number or account numbers by phone or Internet unless YOU initiated the call and are sure this is a reputable institution.

If your identity is stolen:

- Notify all creditors and financial institutions immediately and in writing. Close any affected accounts and request a statement to check for fraudulent activity.
- Contact the fraud unit of all three consumer reporting agencies and have a fraud alert placed on your credit report.
- File a report with your local police department.
- Report the crime to the Federal Trade Commission at www.FTC.gov/idtheft or call 1-877-IDTHEFT.
- Keep records of all communication with creditors and other agencies involved.
- Report a lost/stolen Social Security Number to the Social Security Administration at 1-800-269-0271.
- If you suspect that your driver's license has been used fraudulently, contact the Department of Highway Safety and Motor Vehicles.