



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.pbs.org/your-life-your-money

www.equifax.com

www.experian.com

www.transunion.com

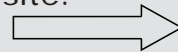


Florida Department of Education

www.fldoe.org

www.navigatingyourfuture.org

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Managing Your Credit



your dream, your plan, your future



Managing Your Credit

Establishing and maintaining good credit can provide many benefits to your financial future. Good credit can help you obtain a car or home loan, a lease on rental property, and in some cases, a desirable job. Establish good credit. Repair bad credit

1

Establish good credit. Repair bad credit.

- Pay your monthly bills **ON TIME**.
- Prepare a realistic monthly budget.
- **Review your credit report once a year.**
- Open a checking account and savings account.
- Evaluate your credit situation: consider choosing a different card with lower interest 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 to protect yourself from identity theft and fraud.
- **Keep your address current** with the credit card company to ensure timely delivery of monthly statements.
- Report any errors on your credit card statement immediately. Follow up with a letter within 60 days of the statement's postmark. The creditor must answer your complaint within 30 days.

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.

Your credit history reflects three areas:

Character: how responsibly you handle credit obligations

Capacity: financial ability to assume a certain amount of debt

Capital: financial assets at your disposal to pay off debt if your character and capacity do not prove sufficient

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

Review your credit report for accuracy of personal identifying information such as name, Social Security Number, date of birth, addresses, and employers. Verify credit card account information, payment history, and public record information.

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

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 the following:

- 35% Payment History
- 30% Amounts Owed
- 15% Credit Account History
- 10% Types of Credit

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**
- Leave important documents at home.
 - Keep all documents in a safe place.
 - Shred old receipts, applications, and outdated 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 correspondence and communication with creditors and other agencies involved.
- If your Social Security Number was used fraudulently, call 1-800-269-0271 to file a report.
- If you suspect that your driver's license has been used fraudulently, contact the Department of Highway Safety and Motor Vehicles.